

ABSTRACT

An estimated spread value is computed that represents a price at which a trader might have been able to buy or sell a spread given the current market conditions of the legs. In particular, when an event occurs in one of the legs, price information is gathered from each of the other legs based on the spread definition, in addition to the defined event, and is used in estimating the value of a spread. According to one feature, the computations may be triggered by any predefined event. According to another feature, the computation may be programmed by a user to tailor the estimation process according to the type of spread being traded. The estimated spread value may be used to analyze spreads, it may be fed to other trading related software tools, or it may be used in charting.